



State of Connecticut

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Testimony of Senator Toni Boucher

April 5, 2011

Chairman Harp, Chairman Walker, Ranking Member Kane, Ranking Member Miner and other distinguished members of the Appropriations Committee, today I testify in support of S.B. 573, An Act Defining Terms Related To The Spending Cap, S.B. 180 An Act Concerning The Use Of Generally Accepted Accounting Principles (GAAP) By The State, and S.B. 452 An Act Concerning State Mandates.

In 1992, Connecticut residents voted in favor of an amendment to the state constitution that would establish a cap on state government spending. Although the amendment was ratified into the state constitution, it required the legislature to determine the terms of the spending cap by a three-fifths vote. To date, the legislature has not taken this step, even though 80% of the public wanted the cap enacted. Instead, the state has been operating under a statutory spending cap which lacks the force of a constitutional amendment and does not reflect the wishes of Connecticut voters. State government has avoided complying with the spending cap by designating more and more state expenditures as off budget items. Consequently, Connecticut's expenditures have consistently exceeded its revenues to the extent that we are out of working capital. Connecticut is not going broke, Connecticut is broke.

We must be serious about adhering to a spending cap and other measures that encourage financial discipline. S.B. 180 would require that the state adopt Generally Accepted Accounting Principles will allow the state to more accurately reflect revenues and expenditures in the year in which they occur and will give a clearer picture of the state's financial status.

SB. 452 would require state mandates to earn a two thirds vote in order to be passed. We do not need to tell legislatures how unfunded mandates from the state have wrecked local budgets and raised property taxes through the roof. Any unfunded mandate that would subject our towns and cities to higher costs should have a high hurdle to clear in order to be enacted. Considering the burden that these mandates impose on towns, a two-thirds vote should be required for their adoption.

Thank you for your careful and thoughtful consideration of this proposal.